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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

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In re the Appellants:

H. SERETTI et al.

Group Art Unit: 2764 Technology Center 2100

Application Number: 09/370,935

Examiner: Y. Retta

Filed: August 9, 1999

Attorney Docket No.: 990809

For: VEHICULAR DATA EXCHANGE SYSTEM AND METHOD THEREFOR

BRIEF ON APPEAL

Assistant Commissioner of Patents
Washington, D.C. 20231

Date: August 21, 2001

ATTN: BOARD OF PATENT APPEALS
AND INTERFERENCES

Sir:

I. INTRODUCTION

This is an appeal from the final action of the Examiner dated February 23, 2001, finally rejecting claims 1, 2, 5-8, 10, 12, 13 and 17-30, all of the claims pending in this application as being unpatentable over certain prior art under 35 U.S.C. §103. A Notice of Appeal was timely filed on June 22, 2001 with a Petition for Extension of Time and fee for one month. This Brief on Appeal is being timely filed.

II. REAL PARTY IN INTEREST

The real parties in interest in present application on appeal are the inventors, Harry Seretti and Carl Schaukowitch. There is no assignee.

III. RELATED APPEALS AND INTERFERENCES

There are no related appeals or interferences known to the appellants or appellants' representative which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal. There is no assignee.

IV. STATUS OF CLAIMS

Claims 1, 2, 5-8, 10, 12, 13 and 17-30, all of the claims pending in the present application which stand finally rejected, are being appealed. Claims 1, 12, 23, 28 and 30 are independent claims. Claims 2, 5-8, 10, 21 and 22 depend from claim 1; claims 13 and 17-20 depend from claim 12; claims 24-27 depend from claim 23; and, claim 29 depends from claim 28.

V. STATUS OF AMENDMENTS

No amendment was submitted in response to the Final Rejection dated February 23, 2001. An amendment dated December 12, 2000, was filed in response to the first Office Action dated July 12, 2000. The present application is a continuation application of 08/885,175 filed June 30, 1997, now U.S. Patent No. 5,978,776 issued on November 2, 1999.

VI. SUMMARY OF THE INVENTION

The present invention relates to a vehicular data exchange system 10 adapted for use to exchange vehicular data (represented by arrows A – C) relating to a vehicle as shown in Figs. 1 – 5 of the application. The vehicular data exchange system 10 includes a plurality of computer terminals 12a – 12f and a processor 14.

Each of the computer terminals 12a – 12f includes an input device 16a – 16f for inputting the vehicular data that includes vehicular characteristics data units (Fig. 3) and

vehicular financial data units (bottom of Fig. 4) and a display device 18a – 18f for visually displaying the vehicular data inputted into the plurality of computer terminals. Also, each of the computer terminals is operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on respective display devices.

With reference to Fig. 1, the processor 14 is in communication with the plurality of computer terminals 12a – 12f and controls the vehicular data. The vehicular characteristics data units are inputted at any time into any selected one of the computer terminals (for example, 12a) and are transmitted immediately thereafter (represented by arrows A and B) to remaining ones of the computer terminals (for example, 12b – 12d but not 12e or 12f) for display on respective ones of the display devices associated with the remaining ones of the computer terminals. The vehicular financial data units (represented by arrow C) are inputted into at least a responding one of the remaining ones of the computer terminals (for example, 12b) in response to the vehicular characteristics data units displayed on the display device of the at least responding one (12b) of the remaining ones of the computer terminals and are transmitted to the selected one of the computer terminals 12a for display on the display device associated with the selected one of the computer terminals.

The present invention is also directed to a method of exchanging vehicular data of a vehicle. The method includes the steps of:

providing at least three computer terminals with each having a display device and being operative to transmit to each other and receive from one another the vehicular data for display on respective display devices;

selecting any one of the at least three computer terminals as a data inquiring computer terminal;

deeming the remaining ones of the at least three computer terminals as data responsive computer terminals;

inputting vehicular characteristics data units of the vehicle at any time into the data inquiring computer terminal for display on its display device;

processing the vehicular characteristics data units immediately after inputting the vehicular characteristics data units by transmitting the vehicular characteristics data units to the data responsive computer terminals for display thereon;

inputting the vehicular financial data units into at least one of the data responsive computer terminals for display on its display device in response to the vehicular characteristics data received by the data responsive computer terminals; and

transmitting the vehicular financial data units immediately after inputting the vehicular financial data units to the inquiring computer terminal for display on the display device of the inquiring computer terminal.

With the present invention, users of the invention, i.e. automobile dealers, can quickly and conveniently exchange vehicle data among one another. Also, vehicle data can be exchanged within a time period during which a prospective customer of the automobile dealer remains on the dealer's premises. (page 3, line 25 through page 4, line 4). The present invention also enables automobile dealers to obtain firm buy figures from other automobile dealers within minutes from the time the vehicular characteristics data are disseminated from the selling dealer. (page 3, lines 9 – 12) Additionally, the present invention enables the users to provide vehicular data exchange

requiring a minimum of time and a minimum of effort to input the vehicular data into the system. (page 4, lines 19 – 21).

VII. ISSUES ON APPEAL

The first issue on appeal is whether the rejection of claim 30 under 35 U.S.C. §112 is proper based upon alleged grounds that claim 30 is indefinite.

The second issue on appeal is whether the United States Patent and Trademark Office has established a *prima facie* case of obviousness in support of rejecting claims 1, 2, 5-8, 10, 12, 13 and 17-30 under 35 U.S.C. §103(a).

The third issue on appeal is whether the United States Patent and Trademark Office has considered all claim features, particularly those absent in the applied art, in support of rejecting claims 1, 2, 5-8, 10, 12, 13 and 17-30 under 35 U.S.C. §103(a).

The fourth issue on appeal is whether the prior art references teach the problem solved by the claimed invention.

The fifth issue on appeal is whether the United States Patent and Trademark Office applies hindsight logic to supply deficiencies in the factual basis in support of rejecting claims 1, 2, 5-8, 10, 12, 13 and 17-30 under 35 U.S.C. §103(a).

The sixth issue on appeal is whether the United States Patent and Trademark Office has properly combined the prior art references in support of rejecting claims 1, 2, 5-8, 10, 12, 13 and 17-30 under 35 U.S.C. §103(a).

VIII. GROUPING OF CLAIMS

Because the rejections of the claims by United States Patent and Trademark Office are improper under substantive law, Applicants elect only a single group of claims for ease of ruling on the appeal by the Board. However, Applicants hereby state that at least the independent claims 1, 12, 23, 28 and 30 do not stand or fall together but are

separately patentable. Upon issuance of a patent, Applicants will be entitled to a separate presumption of validity under 35 U.S.C. 282.

IX. APPELLANT'S ARGUMENTS

A. THE REJECTION OF CLAIM 30 AS BEING INDEFINITE UNDER 35 U.S.C. §112 IS IMPROPER

The United States Patent and Trademark Office rejects claim 30 under 35 U.S.C. §112, second paragraph alleging that the term "within a time period during which the prospective customer remains at the dealership" renders the claim indefinite. It is respectfully submitted that the rejection is improper.

The law "requires only reasonable precision in delineating the bounds of the claimed invention." United States v. Teletronics, Inc., 857 F.2d 778, 8 USPQ2d 1217 (Fed. Cir. 1988). Claims need only "reasonably apprise those skilled in the art" for their scope and be "as precise as the subject matter permits." Hybritech Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 231 USPQ 81 (Fed. Cir. 1986). The public is entitled to know the scope of the claims but must look to both the patent specification and the prosecution history, especially where there is doubt concerning the scope of the claims. Texas Instruments Inc. v. U.S. International Trade Commission, 871 F.2d 1546, 10 USPQ2d 1257 (Fed. Cir. 1989).

Claim 30 is directed to a vehicular data exchange system that is adapted for use to exchange vehicular data relating to a trade-in vehicle of a prospective customer among a plurality of vehicle dealership users. Claim 30 recites that the vehicular data includes vehicular characteristics data units and vehicular financial data units. Claim 30 further recites that the vehicular data exchange system includes a plurality of computer terminals operative to transmit and receive the vehicular data so that the plurality of vehicle dealership users are capable of transmitting to each other and receiving from one another both the vehicular characteristics data units and the vehicular financial data

units. Claim 30 also recites that the vehicular data is exchanged within a time period during which the prospective customer remains at the dealership.

The claimed invention is directed to vehicle dealers such as automobile dealers. Vehicle dealers are thus ones of ordinary skill in the art. It is respectfully submitted that vehicle dealers would easily comprehend that the time period for vehicular data exchange must occur while their prospective customers remain at the dealership. The specification on page 15, between lines 15 - 25 states:

The vehicular data exchange system enables automobile dealers to quickly and conveniently exchange the vehicular characteristics data and vehicles sales price data of a trade-in vehicles with a time period during which a prospective customer of the selling dealers remains on the premises. The vehicular data exchange system would provide firm buy figures from other automotive dealers within minutes from the time the vehicular characteristics data are disseminate from a selling dealer.

In Rosemount, Inc. v. Beckman Instruments, Inc., 727 F.2d 1540, 221 USPQ 1 (Fed. Cir. 1984), the claimed term, "close proximity" was alleged to be indefinite. The Court ruled:

"Close proximity" is a patent claim is not unduly indefinite under the circumstances even though the patent's specification does not specifically or precisely define proximity. The defendant's expert had no trouble understanding the claim.

Skilled artisans, i.e., automobile dealers, themselves as well as any expert would have no trouble understanding the intent and meaning of the time period recited in claim 30. Furthermore, claim 30 itself clearly defines the time period as during which the prospective customer remains at the dealership. The specification further supports the time period by clearly stating that the vehicular data exchange systems operates "within minutes" from when data is disseminated.

In Miles Laboratories, Inc. v. Shandon Inc., 997 F.2d 870, 27 USPQ2d 1123

(Fed. Cir. 1993), the Court ruled:

The test for definiteness is whether one skilled in the art would understand the bounds of the claim when read in light of the specification. ... If the claims read in light of the specification reasonably apprise those skilled in the art of the scope of the invention, §112 demands no more. ... The degree of precision necessary for adequate claims is a function of the nature of the subject matter.

It is respectfully submitted that the "period of time" recited in claim 30 is not indefinite as a matter of law. The rejection therefore is improper and must be reversed.

B. THE REJECTION OF CLAIMS 1, 2, 5-8, 10, 12, 13 AND 17-30 UNDER 35 U.S.C. §103 (a) IS IMPROPER

The United States Patent and Trademark Office rejects claims 1, 2, 5-8, 10, 12, 13 and 17-30 under 35 U.S.C. §103 (a) as unpatentable over Giovannoli (U.S. Patent No. 5,758,328) in view of Berent et al. (U.S. Patent No. 5,774,873). It is respectfully submitted that the rejection is improper.

1. USPTO FAILS TO ESTABLISH A *PRIMA FACIE* CASE OF OBVIOUSNESS

In rejecting claims under 35 U.S.C. §103, the Examiner bears the initial burden of presenting a *prima facie* case of obviousness. In re Otiker, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). Only if that burden is met does the burden of coming forward with evidence or argument shift to the applicant. *Id.* "A *prima facie* case of obviousness is established when the teachings from the prior art itself would appear to have suggested the claimed subject matter to a person of ordinary skill in the art." In re Bell, 991 F.2d 781, 782, 26 USPQ2d 1529, 1531 (Fed. Cir. 1993) quoting In re Rinehart, 531 F.2d 1048, 1051, 189 USPQ 143, 147 (CCPA 1976). But the mere fact that the prior art *may* be modified in the manner suggested by the Examiner neither

makes the modification *prima facie* obvious nor obvious unless the prior art suggested the desirability of the modification. In re Fritch, 972 F.2d 1260, 1266, 23 USPQ2d 1780, 1783-84 (Fed. Cir. 1992).

The test for obviousness is what the combined teachings of the references would have suggested to one of ordinary skill in the art. In re Young, 927 F.2d 588, 591, 18 USPQ2d 1089, 1091 (Fed. Cir. 1991) and In re Keller, 642 F.2d 413, 425, 208 USPQ 871 (CCPA 1981). The conclusion that the claimed subject matter is obvious must be supported by evidence, as shown by some objective teaching in the prior art or by knowledge generally available to one of ordinary skill in the art that would have led that individual to combine the relevant teachings of the references to arrive at the claimed invention. In re Fine, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). If the Examiner fails to establish a *prima facie* case, the rejection is improper and will be overturned. *Id.*

The reasons why the United States Patent and Trademark Office fails to establish a *prima facie* case of obviousness are set forth in subparagraphs 2. through 5. below.

Is needed

2. USPTO FAILS TO CONSIDER ALL CLAIM FEATURES,
PARTICULARLY THOSE ABSENT IN THE PRIOR ART

The U.S. Patent and Trademark Office (PTO) must consider all claim limitations when determining the patentability of an invention over the prior art. In re Lowry, 32 F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994) citing In re Gulack, 703 F.2d 1381, 217 USPQ 401 (Fed. Cir. 1983). The United States Patent and Trademark Office failed to consider the following features of the claimed invention.

A. PRIOR ART FAILS TO SHOW "ANY SELECTED
COMPUTER"

Claims 1, 12, 23 and 28 recite that vehicular characteristics data units are inputted into any selected one of a plurality of computer terminals. None of the prior art, alone or in combination, teaches or suggests this feature. Under these claims, each one of the plurality of computer terminals is operative to transmit to each other and receive from one another vehicular characteristics data units and vehicular financial data units, collectively defined as vehicular data.

To best explain why the prior art fails to show the "any selected computer" feature of claims 1, 12, 23 and 28, illustrations of the general inventive concept of the claimed invention depicted in Appendix B (attached hereto) are compared to the illustration of the general concepts of the prior art inventions depicted in Appendix C (attached hereto). Although Appendices B and C are not a part of the specification, these illustrations have been introduced for reasons of explanation in a response to the Office Action dated July 12, 2000.

Claim 1, 23 and 28 are directed to a vehicular data exchange systems adapted for use to exchange vehicular data relating to a vehicle and includes a plurality of computer terminals and a processor in communication with the plurality of computer terminals. Claim 12 is directed to a method of exchanging vehicular data. Vehicular data include both vehicular characteristics data units and vehicular financial data units. Claims 1, 12, 23 and 28 recite that each computer terminal includes an input device and a display device for visually displaying the vehicular data inputted into respective computer terminals. Claim 1, 12, 23 and 28 further recite that each of the computer terminals is operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on

respective display devices. Claims 1, 23 and 28 also recite that vehicular characteristics data units are inputted at any time into any selected one of the computer terminals and are transmitted immediately thereafter to remaining ones of the computer terminals for display on respective ones of the display devices associated with the remaining ones of the computer terminals.

In Appendix B, Sample Scenario 1 and Sample Scenario 2 are used to assist in the explanation of the recited features of claim 1. In the first sample, Sample Scenario 1, computer terminal C1 is the selected one of the computer terminals and computer terminals C2 – C5 are the remaining ones of the computer terminals. In Sample Scenario 1, it can be said for explanation purposes that C1 acts as an auctioneer or seller at a vehicle auction while C2 – C5 act as bidders or buyers for the vehicle being auctioned. Note, in the second sample, Sample Scenario 2, computer terminal C3 is the selected one while C1, C2, C4 and C5 are the remaining ones. Thus, C3 acts as the auctioneer or seller while C1, C2, C4 and C5 act as bidders or buyers. As would be understood by one of ordinary skill in the art, these two sample scenarios demonstrate that all computer terminals C1 – C5 can act as both auctioneers/sellers as well as bidders/buyers.

As illustrated in Appendix C, the applied art teaches hub-and-spoke computer systems and, particularly a computerized auction system in Berent et al. and a computerized quotation system in Giovannoli. Both Berent et al. and Giovannoli use a hub and spoke computer terminal system which has a hub computer terminal H and a plurality of spoke computer terminals Sp. In the auction system of Berent et al., the hub computer terminal H is designated as an auctioneer and the plurality of spoke computer

terminals Sp are designated as bidders. Thus, Berent et al. fails to teach or suggest inputting vehicular characteristics data units into any selected one of the computer terminals.

In the quotation system of Giovannoli as shown in Fig. 1, the buyer computer terminals and the seller computer terminals are the spoke computer terminals Sp and either one or both of the system central computers is the hub computer terminal H. There is no teaching, suggestion, reason or purpose in Giovannoli why the hub H, the system central computer, would transmit such data to both the buyer computer terminals and the seller computer terminals. Sending data of a buyer's nature or a seller's nature to both buyer computer terminals and seller computer terminals, i.e. to the spokes Sp, makes no sense. Specifically, what use is the response data to the hub computer terminal H? Therefore, Giovannoli also fails to teach inputting the vehicular characteristics data units into any selected one of the computer terminals.

Thus, none of the applied art, alone or in combination, teaches or suggests inputting vehicular characteristics data units into any selected one of the computer terminals.

The Federal Circuit held a reference did not render the claim combination *prima facie* obvious in In re Fine, *supra.*, because, *inter alia*, the Examiner ignored a material claimed temperature limitation which was absent from the reference. The Federal Circuit held want of *prima facie* obviousness in that:

The mere absence [from the reference] of an explicit requirement [of the claim] cannot reasonably be construed as an affirmative statement that [the requirement is in the reference. Citing In re Evanega, 829 F.2d 1110, 4 USPQ2d 1249 (Fed. Cir. 1987).

The "any selected one" feature of the claimed invention ignored by United States Patent and Trademark Office is material and significant. The impact of the feature "any selected one" of the computer terminals recited in the claims is explained as follows. One way this impact can be understood is by way of an analogy using elimination of computer terminals. For the claimed invention, by eliminating "any selected one" of the computer terminals shown in Appendix B, the claimed invention continues to operate. For example, eliminate C1 and a skilled artisan would appreciate that C2-C5 remain operative. Then, eliminate C2 and the skilled artisan would appreciate that the claimed invention remains operative for C1 and C3-C5 and so on. For the prior art, by eliminating the hub as the "any selected one" of the computer terminals shown in Exhibit 2, the prior art systems are rendered inoperable. The United States Patent and Trademark Office cannot ignore this material feature of the claims.

The United States Patent and Trademark Office might have selectively deemed the hub computer terminals of the applied art as a processor, a claimed element of claims 1, 23 and 28, when convenient to do so. However, such hub computer terminals of the prior art must be computer terminals, not a processor as recited in the claims, because claims 1, 23 and 28 recite that each of the computer terminals is operative to transmit to each other and receive from one another vehicular characteristics data units and vehicular financial data units for display on respective display devices. Thus, both hub terminals of the prior art meet the recitation of the claims. Indeed, both the hub computer terminals and the spoke computer terminals of the applied art can transmit to each other and receive from one another vehicular characteristics data units and vehicular financial data units.

Furthermore, by its own admission, the United States Patent and Trademark Office indicates that the computer terminals in the applied are considered computer terminals as recited in the claims. The United States Patent and Trademark Office states on page 5, lines 1 and 2 of the Office Action dated February 23, 2001:

According to Applicant's specification the processor is not considered one of the computer terminals for inputting data.

B. PRIOR ART FAILS TO SHOW "DISPLAYING DATA BEFORE RESPONSE"

Claim 1 recites that vehicular characteristics data units are inputted at any time into any selected one of the computer terminals and are transmitted immediately thereafter to remaining receiving ones of the computer terminals for display on respective ones of the display devices associated with the receiving ones of the computer terminals. Claim 1 further recites that the vehicular financial data units are inputted into at least a responding one of the remaining ones of the computer terminals in response to the vehicular characteristics data units displayed on the display device of the at least one responding computer and are transmitted to the selected one of the computer terminals for display on the display device associated with the selected one of the computer terminals. Claims 12, 23 and 28 also recited these "display" features.

As discussed in more detail below, the applied art teaches automatic responses, not responses made after data is displayed on the responding computer terminal.

C. ALL FEATURES OF CLAIM 30 ARE IGNORED

Claim 30 is directed to a vehicular data exchange system that is adapted for use to exchange vehicular data relating to a trade-in vehicle of a prospective customer among a plurality of vehicle dealership users. The vehicular data includes vehicular

characteristics data units and vehicular financial data units. The vehicular data exchange system includes a plurality of computer terminals operative to transmit and receive the vehicular data so that the plurality of vehicle dealership users are capable of transmitting to each other and receiving from one another both the vehicular characteristics data units and the vehicular financial data units. Claim 30 recites that the vehicular data is exchanged within a time period during which the prospective customer remains at the dealership. The United States Patent and Trademark Office fails to consider any of these features in claim 30. It is respectfully submitted that the features of claim 30 are not shown in the applied art and is therefore allowable.

By failing to consider all of the features of the claimed invention, especially those features which are not in the prior art, the United States Patent and Trademark Office has improperly ignored precedent of substantive patent law.

For at least the reasons set forth above, the rejection must be reversed.

3. THE PRIOR ART REFERENCES FAIL TO TEACH THE PROBLEM SOLVED BY THE CLAIMED INVENTION

A patentable discovery made by an inventor might be the discovery of the problem, the source of the problem or the solution to that problem. In In re Nomiya, 509 F.2d 566, 572, 184 USPQ 607, 612 (CCPA 1975), the court stated:

[Where] there is no evidence of record that a person of ordinary skill in the art at the time of [an applicant's] invention would have expected [a problem], . . . , it is not proper to conclude that [an invention] which solves this problem . . . would have been obvious to that hypothetical person of ordinary skill in the art.

In the Objects of the Invention commencing on page 3, line 24 through page 4, line 12, the specification states:

It is another object of the present invention to provide a vehicular data exchange system so that users thereto can quickly and conveniently exchange the vehicular characteristics data and vehicle sales price data.

Yet another object of the present invention is to provide a vehicular data exchange system whereby vehicular data can be exchanged within a time period during which a prospective customer of the selling dealer remains on the premises.

Yet another object of the present invention is to provide a vehicular data exchange system which would yield firm buy figures from other automotive dealers within minutes from the time the vehicular characteristics data are disseminated from a selling dealer.

It is respectfully submitted that none of the applied art, alone or in combination, achieves the objects of the claimed invention. Achievement of the objects resolves a problem in the prior art that heretofore has not been recognized as a problem and achieving these objects is considered to be part of the "invention as a whole". There are no teachings, suggestions or evidence in the applied art that data can be exchanged with a time period during which a customer remains on the premises of the seller. There are no teachings or suggestions in the applied art that data is exchanged within minutes of dissemination of selling data from a seller. In fact, there is no suggestion in the prior art that a problem regarding convenient and timely selling of a vehicle or other product exists.

For this additional reason, the Examiner's rejection must be reversed.

4. USPTO RELIES UPON HINDSIGHT LOGIC TO SUPPLY DEFICIENCIES IN THE PRIOR ART AS THE BASIS FOR THE REJECTION

In In re Warner, 379 F.2d 1011, 1017, 154 USPQ 173, 177 (CCPA 1967), cert. denied, 389 U.S. 1057 (1968), the Court ruled that the examiner may not, because of

doubt that the invention is patentable, resort to speculation, unfounded assumptions or hindsight reconstruction to supply deficiencies in the factual basis for the rejection.

It appears from the Office Action dated February 23, 2001, that the United States Patent and Trademark Office merely carved out excerpts from the amended claims and thereafter cited inapplicable figures and/or specific passages from the applied art as the basis for the rejection of the pending claims. On page 3, paragraph 7 of the Office Action rejecting independent claims 1, 12, 23 and 28 and those claims that depend therefrom, it states:

As per claims 1, 22-26, 28 and 29, Giovannoli teach a plurality of computer terminals, each including an input device for inputting characteristics and financial data, each of the commuter terminals operative to transmit to each other and receive from one another both the characteristics data units and the financial data units for display on respective display devices (see fig. 1 and col. 1 line 42 to col. 2 line 67)); a processor for controlling the vehicular data inputted into any selected one of terminal and transmitted to plurality of other terminals for display (see column 6 lines 1-56); a processor in communication with the plurality of computer terminals for controlling the data inputted at any time into any selected one of the computer terminal and transmitted immediately thereafter for display to remaining ones of the terminal for display on respective ones of the display devices associated with said remaining ones of said computer terminals, and financial data are inputted into at least a responding one of said remaining ones are transmitted to the selected one computer terminal for display on the display device associated with the selected one, (see col. 2 lines 35-67 and col. 3 lines 1-20). Giovannoli teaches entering products or services characteristics and financial data, however he does not explicitly disclose vehicular characteristics and financial data, it is disclosed in Berent et al. (see col. 6 lines 27-33).

Applicants agree that the recitation set forth above by the United States Patent and Trademark Office accurately, albeit partially, states the claimed subject matter. In fact, such recitation is practically verbatim of independent claims 1, 12, 23 and 28. However, the United States Patent and Trademark Office fails to mention that

Giovannoli does not teach or suggest that the vehicular financial data units inputted into at least a responding one of the remaining ones of the computer terminals are inputted "in response to the vehicular characteristics data units displayed on the display device of the at least responding one of the remaining computer terminals" as recited in the independent claims 1, 12, 23 and 28. As best reflected in the bottom most block in Fig. 2A of Giovannoli, "each selected vendor responds to the request(s) by providing its pricing and other information to the quotation system; this is done automatically...." This automatic response of Giovannoli, as oppose to responding as a result of displayed data as claimed by the present invention, is further supported in column 5, lines 42 – 48, where it states, "the quotation system would interrogate the vendor's product database (using suitable software which links or cross references the vendor's inventory to the quotation system product and services lists) and retrieve pricing and other information necessary to respond to the RFQ."

It is respectfully submitted that the United States Patent and Trademark Office has resorted to speculation, unfounded assumptions and hindsight reconstruction to supply deficiencies in the factual basis for the rejection. The rejection is therefore improper and it must be reversed.

5. USPTO FAILS TO PROPERLY COMBINED THE PRIOR ART REFERENCES – THEIR INTENDED FUNCTION IS DESTROYED

The CCPA and the Federal Circuit have consistently held that when a §103 rejection is based upon a modification of a reference that destroys the intent, purpose of function of the invention disclosed in the reference, such a proposed modification is not proper and the prima facie case of obviousness can not be made. In rejecting the position of the PTO, the court in In re Gordon, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984) held:

The question is not whether a patentable distinction is created by viewing a prior art apparatus from one direction and a claimed apparatus from another, but, rather, whether it would have been obvious from a fair reading of the prior art reference as a whole to turn the prior art apparatus upside down. The mere fact that the prior art could be so modified would not have made the modification obvious unless the prior art suggested the desirability of the modification.

In summary, the differences between the applied art and the claimed invention are as follows: Giovannoli teaches a "buyer" computer contacts a hub computer which sends an RFP form back to the buyer computer which completes the RFP form and sends the RFP form back to the hub computer which, in turn, sends the RFP to "seller" computers. Berent et al. is an auction system where a bidder/buyer computer contacts a hub seller computer which is designated to send vehicle data to bidder/buyer computers which, in turn, submit a bid to the designated hub seller computer. In the claimed invention, a "seller" computer sends vehicle data to "prospective buyer" computers which displays such data and, if desired, a responding "prospective buyer" computer sends financial data, in response to the displayed vehicle data displayed, to seller computer for display on its display device.

In column 7, line 63, Giovannoli teaches that a buyer may choose to be a seller. However, there is no teaching or suggestion in Giovannoli that, if the buyer chooses to be a seller, the Giovannoli system changes to operate like the claimed invention described immediately above. The buyer simply assumes the role of the seller.

Giovannoli is hereafter explained using Fig. 2A thereof. The user connects to the internet to access the price quotation system. The system then provides a list of options. The buyer selects the option, "do you want to request a price quotation?" The

buyer next selects a product type. The buyer requests a quotation for either a category of items or a specific item type. Once selected, the buyer submits the request. The quotation system processes the request by selecting a class of vendors who sell the requested product(s) and meet filter requirements of the buyer, vendor and quotation system. The quotation system then makes available the request(s) to each selected vendor. Each selected vendor responds to the request(s) by providing its pricing and other information to the quotation system. This is done automatically using software provided by the quotation system to each vendor. Vendor software connects with the quotation system on a vendor-determined schedule for the purpose of receiving requests for quotation and responding thereto with inventory and pricing information. Each vendor keeps current using the quotation system provided software.

Berent et al. is an electronic on-line motor vehicle auction and information system. This system allows remote users to interactively participate in motor vehicle auction sales using a personal computer. Also, the system can be used for other applications such as to permit users to access and search the system's database and display data about motor vehicles auction dates, vehicle inventory, industry news and vehicle sales history.

Both Giovannoli and Berent et al. teach that the inquiring computer terminal must first send an inquiry to the hub computer terminal so that the hub can automatically send information back to the inquiring computer terminal before the inquiring computer terminal can send "sell/buy" data. The claimed invention does not. Independent claims 1, 12, 23 and 28 recite that the vehicular characteristics data units, i.e. "sell" data, are

inputted at any time into any selected one of the computer terminals and are transmitted immediately thereafter to remaining ones of the computer terminals.

The applied art teaches "buyer" computers contacting "seller" computers through a hub computer. The claimed invention encompasses "seller" computers directly contacting "buyer" computers without a hub computer. Also, the claimed invention claims that the "sell" data is first displayed on the "buyer" computer before the "buyer" computer can send a response (financial data such as a bid amount) to the "seller" computer for display on its display device. The applied art does not teach or suggest displaying product data on the "seller" computer before the "seller" computer responds; the applied art teaches automatic responses. Also, the applied art teaches that the "buyer" computers are interactive with the hub computers before contacting the "seller" computers. In the claimed invention, the "seller" computers directly contact the "buyer" computers at any time without any pre-interactivity.

As mentioned above, claim 1 recites that each of the computer terminals is operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on respective display devices. Claim 1 further recites that each of said computer terminals is operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on respective display devices. Claim 1 also recites that vehicular characteristics data units are inputted at any time into any selected one of the computer terminals and are transmitted immediately thereafter to remaining receiving ones of the computer terminals for display on respective ones of the display devices associated with the receiving ones of the

computer terminals. Claim 1 further recites that the vehicular financial data units are inputted into at least a responding one of the remaining ones of the computer terminals in response to the vehicular characteristics data units displayed on the display device of the at least one responding computer. Claims 12, 23 and 28 also recited these "display" features. Claim 30 recites a vehicular exchange system in which the vehicular data is exchanged within a time period during which the prospective customer remains at the dealership.

Thus, until the vehicular characteristics data units are displayed on the display of at least one responding computer terminal, there can be no response from the responding computer terminal of the claimed invention. In contrast, an automatic response is taught by Giovannoli upon receipt of a request for quotation. Also, Berent et al. teaches automatically responding to the spoke computer terminal by the hub computer. In order to arrive at the claimed invention, the United States Patent and Trademark Office must first destroy the functionality of applied art, i.e., automatic responding without first displaying data. There is no teaching or suggestion in the applied art that the data sent by the sending computer terminal is first displayed on the display device of the responding computer terminal before the responding computer terminal responds.

Also, Giovannoli teaches that the vendor must keep current the quotation system software. There is no "keep current" requirement for the claimed invention. Upon viewing the vehicular characteristics data units of the claimed invention, the user elects whether to respond after viewing the displayed data. Thus, in order to arrive at the

claimed invention, the United States Patent and Trademark Office must remove the "keep current" function of the applied art.

Further, Giovannoli teaches that the vendor software connects with the quotation system on a vendor determined schedule for the purpose of receiving requests for quotation and responding thereto with inventory and pricing information. (column 5, lines 37-41). Berent et al. teaches having auctions on specific sales dates. In column 9, lines 21-23 in Berent et al., it states "Another important routine within the Electronic Auction application is the actual Bidding Process (Fig. 6e). This allows the users to bid for vehicles on the specified sale date." As recited in the independent claims, the vehicular characteristics data units are inputted at any time into any selected one of the computer terminals and are transmitted immediately thereafter to remaining ones of the computer terminals. As mentioned above, an object of the invention is to provide a vehicular data exchange system which would yield firm buy figures from other automobile dealers within minutes from the time the vehicular characteristics data are disseminated by the selling dealer. Data exchange in Giovannoli is determined by the vendor schedule; data exchange in Berent et al. occurs only on specific days. The vendor determined scheduling function of Giovannoli and the Electronic Auction application function of Berent et al. must first be destroyed in order to provide a system where the vehicular characteristics data units are inputted at any time and are transmitted immediately thereafter to remaining ones of the computer terminals as recited in independent claims 1, 12, 23 and 28.

Furthermore, the rejection states in the middle of page 4 that one of would have been motivated to minimize the time consuming task of maintaining and updating a

central database as taught by Giovannoli. The court in In re Gordon, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984) cited a lack of technological motivation for making the modification necessary to arrive at the claimed invention as evidence that the suggestion for the proposed modification could not have come from the reference itself. Indeed, the suggestion for modifying the applied art has been derived from the claimed invention itself and not the applied art. Because Giovannoli fails to teach or suggest the features discussed above and Berent et al. fails to cure these deficiencies, there can be no motivation for modifying the applied art as asserted by United States Patent and Trademark Office. The suggested modifications had been derived from the claimed invention itself, not from the applied art.

Thus, it is respectfully submitted that, under substantive law, the rejection is improper and must be reversed.

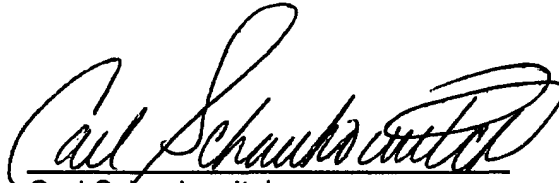
X. CONCLUSION

In view of the foregoing, it is respectfully submitted that the United States Patent and Trademark Office failed to establish a prima facie case of obviousness. The United States Patent and Trademark Office failed to consider features not shown in the applied art. The United States Patent and Trademark Office has applied hindsight logic to reconstruction the claimed invention using it as a template. The prior art fails to recognize the problem addressed and solved by the claimed invention. The United States Patent and Trademark Office has improperly combined the applied art to arrive at the claimed invention and, in doing so, destroyed the functionality of the applied art. Additionally, the United States Patent and Trademark Office fails to provide any

reasoning why claim 30 is rejected in view of the applied art and improperly rejects claim 30 under 35 U.S.C. §112 for indefiniteness.

For at least these reasons, it is respectfully requested that the Honorable Board reverse the rejections set forth in the Final Rejection and to pass the application to issue allowing pending claims 1, 2, 5-8, 12, 13 and 17-30.

Respectfully submitted,



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Appendices: A – Claims on Appeal
B – Exemplary Diagram of Claimed Invention
C – Exemplary Diagram of Prior Art Inventions

Enclosures: Certificate of Express Mail
Fee Transmittal
Check No. in the amount of
Postcard Receipt

APPENDIX A

CLAIMS ON APPEAL

1. A vehicular data exchange system adapted for use to exchange vehicular data relating to a vehicle, comprising:

a plurality of computer terminals, each of said computer terminals including an input device for inputting the vehicular data that includes vehicular characteristics data units and vehicular financial data units and a display device for visually displaying the vehicular data inputted into said plurality of computer terminals, each of said computer terminals operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on respective display devices; and

a processor in communication with said plurality of computer terminals for controlling the vehicular data wherein the vehicular characteristics data units are inputted at any time into any selected one of said computer terminals and are transmitted immediately thereafter to remaining ones of said computer terminals for display on respective ones of said display devices associated with said remaining ones of said computer terminals and

wherein the vehicular financial data units are inputted into at least a responding one of said remaining ones of said computer terminals in response to the vehicular characteristics data units displayed on said display device of said at least responding one of said remaining ones of said computer terminals and are transmitted to said selected one of said computer terminals for display on said display device associated with said selected one of the computer terminals.

2. A vehicular data exchange system according to claim 1, further comprising a discriminator for choosing specific ones of said remaining ones of said plurality of computer terminals to which the vehicular characteristics data units are transmitted.

5. A vehicular data exchange system according to claim 1, wherein the vehicular characteristics data units include a make, a model and a year of the vehicle.

6. A vehicular data exchange system according to claim 1, wherein the vehicular characteristics data units include a description of the vehicle.

7. A vehicular data exchange system according to claim 1, wherein the description of the vehicle includes at least one of a body type of the vehicle, a color of the vehicle, an amount of mileage displayed on an odometer of the vehicle and a general condition of the vehicle.

8. A vehicular data exchange system according to claim 1, wherein vehicular financial data units of the vehicle include at least one of a bid price amount, an assessment price amount, a wholesale price amount, and a retail price amount.

10. A vehicular data exchange system according to claim 1, wherein the vehicular financial data units of the vehicle further include information identifying a source of vehicular financial data units transmitted.

12. A method of exchanging vehicular data of a vehicle, comprising the steps of:
providing at least three computer terminals, each of the at least three computer terminals having a display device, the at least three computer terminals operative to transmit to each other and receive from one another the vehicular data for display on respective display devices;

selecting any one of the at least three computer terminals as a data inquiring computer terminal;

deeming the remaining ones of the at least three computer terminals as data responsive computer terminals;

inputting vehicular characteristics data units of the vehicle at any time into the data inquiring computer terminal for display on its display device;

processing the vehicular characteristics data units immediately after inputting the vehicular characteristics data units by transmitting the vehicular characteristics data units to the data responsive computer terminals for display thereon;

inputting the vehicular financial data units into at least one of the data responsive computer terminals for display on its display device in response to the vehicular characteristics data received by the data responsive computer terminals; and

transmitting the vehicular financial data units immediately after inputting the vehicular financial data units to said inquiring computer terminal for display on the display device of said inquiring computer terminal.

13. A method according to claim 12, wherein the step of processing the vehicular characteristics data units includes selecting select ones of said plurality of said data responsive computer terminals to which the vehicular characteristics data units are transmitted.

17. A method according to claim 12, wherein the vehicular characteristics data units include a make, a model and a year of the vehicle.

18. A method according to claim 12, wherein the vehicular characteristics data units include a description of the vehicle.

19. A method according to claim 12, wherein the vehicular financial data units of the vehicle include at least one of a bid price amount, an assessment price amount, a wholesale price amount, and a retail price amount.

20. A method according to claim 1, wherein the vehicular financial data units of the vehicle further include information identifying a source of vehicular financial data units transmitted.

21. A vehicular data exchange system according to claim 1, wherein the vehicular financial data units include an identity of a responding vehicle dealership.

22. A vehicular data exchange system according to claim 1, wherein each of said computer terminals is a personal computer.

23. A vehicular data exchange system adapted for use to exchange vehicular data relating to a vehicle, comprising:

a plurality of computer terminals, each of said computer terminals including an input device for inputting the vehicular data that includes vehicular characteristics data units and vehicular financial data units and a display device for visually displaying the vehicular data inputted into said plurality of computer terminals, each of said computer terminals operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on respective display devices; and

a processor in communication with the plurality of computer terminals for controlling the vehicular data wherein

the vehicular characteristics data units are inputted at any time into any selected one of said computer terminals and are transmitted immediately after

being inputted to remaining ones of said computer terminals for display on respective ones of said display devices associated with said remaining ones of said computer terminals and wherein

the vehicular financial data units are inputted into at least a responding one of said remaining ones of said computer terminals in response to the vehicular characteristics data units displayed on said display device of said at least responding one of said remaining ones of said computer terminals and are transmitted immediately after being inputted to said selected one of said computer terminals for display on said display device associated with said selected one of said computer terminals.

24. A vehicular data exchange system according to claim 23, wherein the vehicular characteristics data units are inputted and transmitted by an inquiring human operator and wherein the vehicular financial data units are inputted and transmitted by a responding human operator.

25. A vehicular data exchange system according to claim 24, wherein the vehicular characteristics data units are transmitted at discretion of the inquiring human operator.

26. A vehicular data exchange system according to claim 23, wherein the vehicular characteristics data units are simultaneously displayed on said display device of said selected one of said computer terminals with the vehicular financial data units after the vehicular financial data units are transmitted to said selected one of said computer terminals.

27. A vehicular data exchange system according to claim 23, wherein the vehicular financial data units include an identity of a responding vehicle dealership.

28. A vehicular data exchange system adapted for use to exchange vehicular data relating to a vehicle, comprising:

a plurality of computer terminals, each of said computer terminals including an input device for inputting the vehicular data that includes vehicular characteristics data units and vehicular financial data units and a display device for visually displaying the vehicular data inputted into said plurality of computer terminals, each of said computer terminals operative to transmit to each other and receive from one another both the vehicular characteristics data units and the vehicular financial data units for display on respective display devices; and

a processor in communication with the plurality of computer terminals for controlling the vehicular data wherein

the vehicular characteristics data units are inputted at any time by an inquiring human operator into characteristics data fields for display on said display device of any selected one of said computer terminals and are transmitted immediately after being inputted by the inquiring human operator to remaining ones of said computer terminals for display on respective ones of said display devices associated with said remaining ones of said computer terminals and wherein

the vehicular financial data units are inputted by a responding human operator into a financial data field for display on said display device of at least a responding one of said remaining ones of said computer terminals in response to

the vehicular characteristics data units displayed in the characteristics data fields on said display device of said at least responding one of said remaining ones of said computer terminals and are transmitted immediately after being inputted by the responding human operator to said selected one of said computer terminals for display on said display device associated with said selected one of said computer terminals.

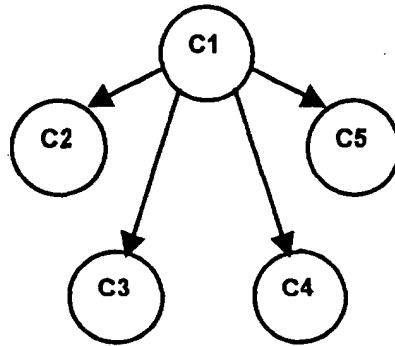
29. A vehicular data exchange system according to claim 28 wherein the vehicular characteristics data units and the vehicular financial data units are simultaneously displayed on said display device associated with said selected one of said computer terminals after the vehicular financial data units are transmitted.

30. A vehicular data exchange system adapted for use to exchange vehicular data relating to a trade-in vehicle of a prospective customer among a plurality of vehicle dealership users, the vehicular data including vehicular characteristics data units and vehicular financial data units, the vehicular data exchange system comprising:

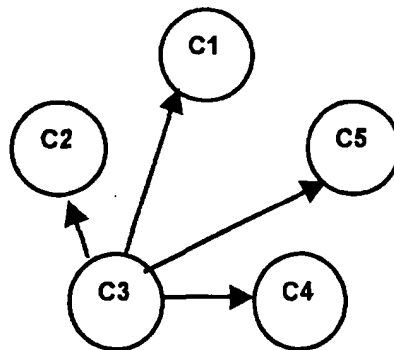
a plurality of computer terminals operative to transmit and receive the vehicular data so that the plurality of vehicle dealership users are capable of transmitting to each other and receiving from one another both the vehicular characteristics data units and the vehicular financial data units, the vehicular data being exchanged within a time period during which the prospective customer remains at the dealership.

APPENDIX B

Claimed Invention



Sample Scenario 1.



Sample Scenario 2

APPENDIX C

Prior Art Inventions

